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**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEVADA**

In re:
 USA COMMERCIAL MORTGAGE COMPANY,
 Debtor.

Case No. BK-S-06-10725 LBR
 Case No. BK-S-06-10726 LBR
 Case No. BK-S-06-10727 LBR
 Case No. BK-S-06-10728 LBR
 Case No. BK-S-06-10729 LBR

In re:
 USA CAPITAL REALTY ADVISORS, LLC,
 Debtor.

Chapter 11

In re:
 USA CAPITAL DIVERSIFIED TRUST DEED
 FUND, LLC,
 Debtor.

**Jointly Administered Under
 Case No. BK-S-06-10725 LBR**

In re:
 USA CAPITAL FIRST TRUST DEED FUND, LLC,
 Debtor.

**MONTHLY OPERATING REPORT
 FOR APRIL 2007
 (AFFECTS USA CAPITAL FIRST
 TRUST DEED FUND, LLC)**

In re:
 USA SECURITIES, LLC,
 Debtor.

Affects:

- ☐ All Debtors
- ☐ USA Commercial Mortgage Company
- ☐ USA Capital Realty Advisors, LLC
- ☐ USA Capital Diversified Trust Deed Fund, LLC
- ☒ USA Capital First Trust Deed Fund, LLC
- ☐ USA Securities, LLC

STATEMENT OF OPERATIONS**(General Business Case)**For the Month Ended 04/30/07

Current Month				Cumulative (Case to Date)	Next Month Forecast
Actual	Forecast	Variance			
(\$10,832)		(\$10,832)	Revenues:		
		\$0	1 Gross Sales	\$1,803,484	
(\$10,832)	\$0	(\$10,832)	2 less: Sales Returns & Allowances		
\$0		\$0	3 Net Sales	\$1,803,484	\$0
(\$10,832)	\$0	(\$10,832)	4 less: Cost of Goods Sold (Schedule 'B')		
\$87,466		\$87,466	5 Gross Profit	\$1,803,484	\$0
		\$0	6 Interest	\$247,680	
		\$0	7 Other Income:		
		\$0	8 Debt Forgiveness Income	\$121,772	
		\$0	9		
\$76,634	\$0	\$76,634	10 Total Revenues	\$2,172,936	\$0
		\$0	Expenses:		
		\$0	11 Compensation to Owner(s)/Officer(s)		
		\$0	12 Salaries		
		\$0	13 Commissions		
		\$0	14 Contract Labor		
		\$0	Rent/Lease:		
		\$0	15 Personal Property		
		\$0	16 Real Property		
		\$0	17 Insurance		
		\$0	18 Management Fees	\$0	
		\$0	19 Depreciation		
		\$0	Taxes:		
		\$0	20 Employer Payroll Taxes		
		\$0	21 Real Property Taxes		
		\$0	22 Other Taxes		
		\$0	23 Other Selling	\$365,377	
\$37,527		(\$37,527)	24 Other Administrative	\$37,191	
		\$0	25 Interest		
		\$0	26 Other Expenses:		
		\$0	27 Provision for Loan Losses	\$3,052,867	
		\$0	28 Loss on Sale of Assets	\$6,053,693	
		\$0	29 Settlement Costs with DTDF	\$847,776	
		\$0	30		
		\$0	31		
		\$0	32		
		\$0	33		
		\$0	34		
\$37,527	\$0	(\$37,527)	35 Total Expenses	\$10,356,904	\$0
\$39,107	\$0	\$39,107	36 Subtotal	(\$8,183,968)	\$0
		\$26,198	Reorganization Items:		
(\$26,198)		\$26,198	37 Professional Fees	(\$5,294,877)	
		\$0	38 Provisions for Rejected Executory Contracts		
		\$0	39 Interest Earned on Accumulated Cash from Resulting Chp 11 Case		
		\$0	40 Gain or (Loss) from Sale of Equipment		
(\$7,500)		\$7,500	41 U.S. Trustee Quarterly Fees	(\$20,750)	
		\$0	42		
(\$33,698)	\$0	\$33,698	43 Total Reorganization Items	(\$5,315,627)	\$0
\$5,409	\$0		44 Net Profit (Loss) Before Federal & State Taxes	(\$13,499,595)	\$0
		\$0	45 Federal & State Income Taxes		
\$5,409	\$0	\$0	46 Net Profit (Loss)	(\$13,499,595)	\$0

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

BALANCE SHEET
(General Business Case)
For the Month Ended 04/30/07

Assets

		<u>From Schedules</u>	<u>Market Value¹</u>
Current Assets			
1	Cash and cash equivalents - unrestricted		\$30,799,822
2	Cash and cash equivalents - restricted		
3	Accounts receivable (net)	A	\$0
4	Inventory	B	\$0
5	Prepaid expenses		
6	Professional retainers		
7	Other: <u>Overbid Allocation</u>		\$3,800,000
8			
9	Total Current Assets		\$34,599,822
Property and Equipment (Market Value)			
10	Real property	C	\$0
11	Machinery and equipment	D	\$0
12	Furniture and fixtures	D	\$0
13	Office equipment	D	\$0
14	Leasehold improvements	D	\$0
15	Vehicles	D	\$0
16	Other: _____	D	
17	_____	D	
18	_____	D	
19	_____	D	
20	_____	D	
21	Total Property and Equipment		\$0
Other Assets			
22	Loans to shareholders		
23	Loans to affiliates		
24	_____		
25	_____		
26	_____		
27	_____		
28	Total Other Assets		\$0
29	Total Assets		\$34,599,822

NOTE:

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

1 - The method used to estimate the market value of assets was net book value at the end of the current reporting period as market value has not been determined.

Liabilities and Equity
(General Business Case)

Liabilities From Schedules

Post-Petition

Current Liabilities

30	Salaries and wages		
31	Payroll taxes		
32	Real and personal property taxes		
33	Income taxes		
34	Sales taxes		
35	Notes payable (short term)		
36	Accounts payable (trade)	A	\$315,678
37	Real property lease arrearage		
38	Personal property lease arrearage		
39	Accrued professional fees		\$928,320
40	Current portion of long-term post-petition debt (due within 12 months)		
41	Other: _____		
42	_____		
43	_____		
44	Total Current Liabilities		\$1,243,998

Long-Term Post-Petition Debt, Net of Current Portion

46	Total Post-Petition Liabilities		\$1,243,998
----	--	--	--------------------

Pre-Petition Liabilities (allowed amount)¹

47	Secured claims ¹	F	\$0
48	Priority unsecured claims ¹	F	\$0
49	General unsecured claims ¹	F	\$24,155
50	Total Pre-Petition Liabilities		\$24,155
51	Total Liabilities		\$1,268,153

Equity (Deficit)

52	Retained Earnings/(Deficit) at time of filing		\$11,396,460
53	Capital Stock		
54	Additional paid-in capital		
55	Cumulative profit/(loss) since filing of case		(\$13,499,595)
56	Post-petition contributions/(distributions) or (draws)		(\$19,569,429)
57	General and Limited Partners equity		\$55,004,233
58	Market value adjustment		
59	Total Equity (Deficit)		\$33,331,669
60	Total Liabilities and Equity (Deficit)		\$34,599,822

NOTE:

1 - Allowed Amounts have not yet been determined and are contingent upon approval from the Bankruptcy Court. The pre-petition liabilities' amounts above reflect the claimed amounts filed on Schedules.

SCHEDULES TO THE BALANCE SHEET
(General Business Case)

Schedule A

Accounts Receivable and (Net) Payable

Receivables and Payables Agings	Accounts Receivable [Pre and Post Petition]	Accounts Payable [Post Petition]	Past Due Post Petition Debt
0 -30 Days		\$285,053	
31-60 Days		\$30,625	
61-90 Days			\$30,625
91+ Days			
Total accounts receivable/payable	\$0	\$315,678	
Allowance for doubtful accounts			
Accounts receivable (net)	\$0		

Schedule B

Inventory/Cost of Goods Sold

Types and Amount of Inventory(ies)	Inventory(ies) Balance at End of Month	Cost of Goods Sold
		Inventory Beginning of Month
		Add -
Retail/Restaurants -		Net purchase
Product for resale		Direct labor
		Manufacturing overhead
Distribution -		Freight in
Products for resale		Other:
Manufacturer -		
Raw Materials		
Work-in-progress		
Finished goods		
Other - Explain		
TOTAL	\$0	Cost of Goods Sold
		\$0

Method of Inventory Control

Do you have a functioning perpetual inventory system?

Yes _____ No _____

How often do you take a complete physical inventory?

Weekly _____

Monthly _____

Quarterly _____

Semi-annually _____

Annually _____

Date of last physical inventory was _____

Date of next physical inventory is _____

Inventory Valuation Methods

Indicate by a checkmark method of inventory used.

Valuation methods -

FIFO cost _____

LIFO cost _____

Lower of cost or market _____

Retail method _____

Other _____

Explain _____

**Schedule C
Real Property**

Description	<u>Cost</u>	<u>Market Value</u>
Total	\$0	\$0

**Schedule D
Other Depreciable Assets**

Description	<u>Cost</u>	<u>Market Value</u>
Machinery & Equipment -		
Total	\$0	\$0

Furniture & Fixtures -		
Total	\$0	\$0

Office Equipment -		
Total	\$0	\$0

Leasehold Improvements -		
Total	\$0	\$0

Vehicles -		
Total	\$0	\$0

Schedule E
Aging of Post-Petition Taxes
(As of End of the Current Reporting Period)

Taxes Payable	<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91+ Days</u>	<u>Total</u>
Federal					
Income Tax Withholding					\$0
FICA - Employee					\$0
FICA - Employer					\$0
Unemployment (FUTA)					\$0
Income					\$0
Other (Attach List)					\$0
Total Federal Taxes	\$0	\$0	\$0	\$0	\$0
State and Local					
Income Tax Withholding					\$0
Unemployment (UT)					\$0
Disability Insurance (DI)					\$0
Empl. Training Tax (ETT)					\$0
Sales					\$0
Excise					\$0
Real property					\$0
Personal property					\$0
Income					\$0
Other (Attach List)					\$0
Total State & Local Taxes	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$0	\$0	\$0	\$0	\$0

Schedule F
Pre-Petition Liabilities

<u>List Total Claims For Each Classification -</u>	<u>Claimed¹</u> <u>Amount</u>	<u>Allowed²</u> <u>Amount (b)</u>
Secured claims (a)		
Priority claims other than taxes		
Priority tax claims		
General unsecured claims	\$24,155	

(a) List total amount of claims even if under secured.

(b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

Schedule G
Rental Income Information
Not applicable to General Business Cases

Schedule H
Recapitulation of Funds Held at End of Month

	<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>	<u>Account 4</u>
Bank	Bank of America	Bank of America		
Account Type	Analyzed Checking	Money Market		
Account No.	3755532435	3755547488		
Account Purpose	General	Money Market		
Balance, End of Month	\$562,216	\$30,237,606		
Total Funds on Hand for all Accounts	\$30,799,822			

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

NOTES:

- 1 - Claimed Amounts reflects amounts filed on schedules and is subject to change as proof of claims are filed and further pre-petition invoices are identified.

2 - Allowed Amounts have not yet been determined and are contingent upon approval from the Bankruptcy Court.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**Increase/(Decrease) in Cash and Cash Equivalents****For the Month Ended** 04/30/07

		Actual Current Month	Cumulative (Case to Date)
Cash Receipts			
1	Rent/Leases Collected		
2	Cash Received from Sales	(\$10,832)	\$54,810,247
3	Interest Received	\$87,466	\$247,680
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		
6	Capital Contributions		
7			
8			
9			
10			
11			
12	Total Cash Receipts	\$76,634	\$55,057,927
Cash Disbursements			
13	Payments for Inventory		
14	Selling		
15	Administrative	\$43,439	\$43,821
16	Capital Expenditures		
17	Principal Payments on Debt		
18	Interest Paid		
	Rent/Lease:		
19	Personal Property		
20	Real Property		
	Amount Paid to Owner(s)/Officer(s)		
21	Salaries		
22	Draws		
23	Commissions/Royalties		
24	Expense Reimbursements		
25	Other		
26	Salaries/Commissions (less employee withholding)		
27	Management Fees		\$0
	Taxes:		
28	Employee Withholding		
29	Employer Payroll Taxes		
30	Real Property Taxes		
31	Other Taxes		
32	Other Cash Outflows:		
33	Distributions to Shareholders		\$19,569,429
34	U.S. Trustee Quarterly Fees		\$13,250
35	Professional Fees Paid in Connection with Chapter 11 Case	\$465,989	\$4,131,605
36	Payment to USA Capital Diversified Trust Deed Fund		\$500,000
37			
38	Total Cash Disbursements:	\$509,428	\$24,258,105
39	Net Increase (Decrease) in Cash	(\$432,794)	\$30,799,822
40	Cash Balance, Beginning of Period	\$31,232,616	\$0
41	Cash Balance, End of Period	\$30,799,822	\$30,799,822

STATEMENT OF CASH FLOWS
(Optional) Increase/(Decrease) in Cash and Cash Equivalents
For the Month Ended 04/30/07

	Actual	Cumulative
Cash Flows From Operating Activities	<u>Current Month</u>	<u>(Case to Date)</u>
1 Cash Received from Sales	(\$10,832)	\$54,810,247
2 Rent/Leases Collected		
3 Interest Received	\$87,466	\$247,680
4 Cash Paid to Suppliers		
5 Cash Paid for Selling Expenses		
6 Cash Paid for Administrative Expenses	\$43,439	\$43,821
Cash Paid for Rents/Leases:		
7 Personal Property		
8 Real Property		
9 Cash Paid for Interest		
10 Cash Paid for Net Payroll and Benefits		
Cash Paid to Owner(s)/Officer(s)		
11 Salaries		
12 Draws		
13 Commissions/Royalties		
14 Expense Reimbursements		
15 Other		
Cash Paid for Taxes Paid/Deposited to Tax Acct.		
16 Employer Payroll Tax		
17 Employee Withholdings		
18 Real Property Taxes		
19 Other Taxes		
20 Cash Paid for General Expenses		
21 Distributions to Shareholders		\$19,569,429
22 Management Fees		\$0
23 Payment to USA Capital Diversified Trust Deed Fund		\$500,000
24		
25		
26		
27 Net Cash Provided (Used) by Operating Activities before Reorganization Items	\$33,195	\$34,944,677
Cash Flows From Reorganization Items		
28 Interest Received on Cash Accumulated Due to Chp 11 Case		
29 Professional Fees Paid for Services in Connection with Chp 11 Case	\$465,989	\$4,131,605
30 U.S. Trustee Quarterly Fees		\$13,250
31		
32 Net Cash Provided (Used) by Reorganization Items	(\$465,989)	(\$4,144,855)
33 Net Cash Provided (Used) for Operating Activities and Reorganization Items	(\$432,794)	\$30,799,822
Cash Flows From Investing Activities		
34 Capital Expenditures		
35 Proceeds from Sales of Capital Goods due to Chp 11 Case		
36		
37 Net Cash Provided (Used) by Investing Activities	\$0	\$0
Cash Flows From Financing Activities		
38 Net Borrowings (Except Insiders)		
39 Net Borrowings from Shareholders, Partners, or Other Insiders		
40 Capital Contributions		
41 Principal Payments		
42		
43 Net Cash Provided (Used) by Financing Activities	\$0	\$0
44 Net Increase (Decrease) in Cash and Cash Equivalents	(\$432,794)	\$30,799,822
45 Cash and Cash Equivalents at Beginning of Month	\$31,232,616	\$0
46 Cash and Cash Equivalents at End of Month	\$30,799,822	\$30,799,822

USA First Trust Deed Fund, LLC
Question 9 - Payments to Professionals
April 1, 2007 - April 30, 2007

	Total Paid During Month
Mesirow Financial Interim Management, LLC	\$ 105,284.27
Ray, Quinney & Nebeker, PC	107,108.83
Shea & Carlyon LTD.	79,618.27
Stutman Treister & Glatt Professional Corporation	173,977.93
Total Fees & Expenses	\$ 465,989.30